

Fullerton Short Term Interest Rate - Class R (SGD)

July 2025

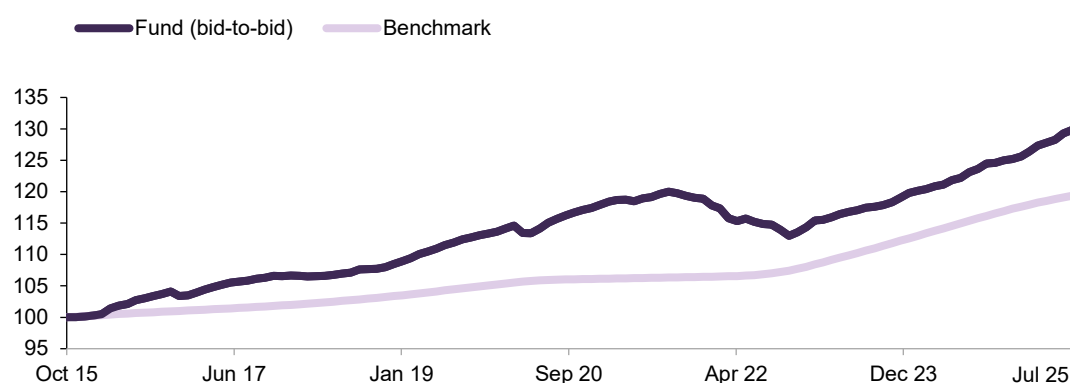
Investment Objective

The investment objective of the Fund is to achieve medium-term capital appreciation for investors. The investments of the Fund will be broadly diversified with no specific industry or sectoral emphasis.

Investment Focus and Approach

The Fund is primarily focused on fixed income securities and money market instruments. The Fund may invest in futures and derivatives for hedging purposes. The maturity limit of underlying securities is 5 years and all foreign currency denominated bonds are fully hedged back to SGD except for a 5% frictional currency limit.

Performance (%)



	1 mth	3 mths	6 mths	1 yr	3 yrs	5 yrs	Sl. Ann. Ret.	Sl. Ann. Vol.
Fund (bid-to-bid)	0.43	1.53	3.20	5.14	3.84	2.02	2.39	1.31
Benchmark	0.21	0.69	1.47	3.46	3.76	2.41	1.83	0.40

Returns of more than 1 year are annualised. Returns are calculated on a single pricing basis in SGD with net dividends and distributions (if any) reinvested.

Benchmark: 3M SORA + 0.60% p.a.

With effect from 1 August 2023, the benchmark is 3M SORA + 0.60% p.a. From inception till 31 July 2023, the benchmark was 3M SIBID.

Source: Fullerton Fund Management Company Ltd and Bloomberg.

Inception date

29 Oct 2015

Fund size

SGD 905.34 million

Base Currency

SGD

Pricing Date

31 Jul 2025

NAV*

SGD 1.26

Management fee

Currently 0.30% p.a.

Expense Ratio

0.26% p.a. (For financial year ended 31 Mar 2025)

Minimum Initial Investment

SGD 100,000

Minimum Subsequent Investment

None

Preliminary Charge

Not applicable for Class R

Dealing day

Daily, up to 5pm (Singapore time)

Bloomberg Code

FULSTIS SP

ISIN Code

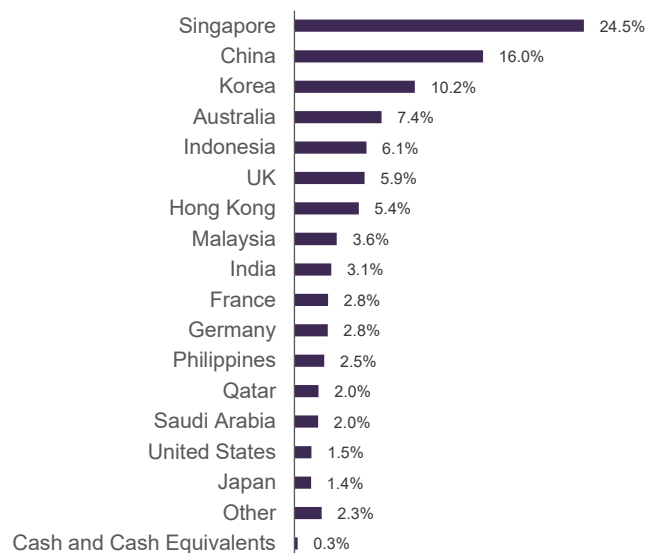
SG9999014633

The Fund is available for SRS subscription.

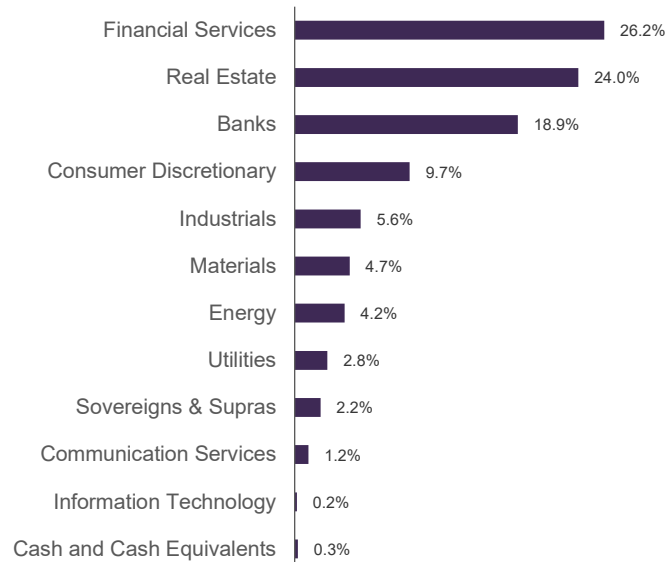
* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

■ Portfolio

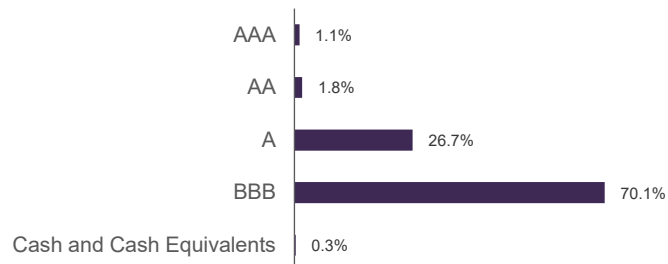
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average coupon	4.1%
Average credit rating	BBB
Number of holdings	141
Average duration (years)	2.1
Yield to Worst	2.3%

Top 5 Holdings

HSBC Holdings PLC 4.500 Jun 2029	2.5%
Macquarie Group Ltd 4.500 Aug 2026	2.3%
Deutsche Bank AG 4.400 Apr 2028	2.2%
Santos Finance Ltd 5.250 Mar 2029	2.2%
UOL Treasury Services Pte Ltd 2.330 Aug 2028	2.2%

Credit Rating : Where the security is not rated by external rating agencies, Fullerton's internal rating methodology will apply.

Yield to Worst (YTW): Refers to YTW in base currency taking into account the hedging cost. Not guaranteed. Past performance is not necessarily indicative of future performance.

Market Review

In Singapore, the MAS maintained its current monetary policy stance, keeping the SGD nominal effective exchange rate (S\$NEER) policy band unchanged following two earlier rounds of slope reduction in January and April. In its July statement, the Committee noted that inflation risks are now balanced, with no material upside pressures in recent data. Unlike the April meeting, where the focus was on downside growth risks and the need for policy support, cited recent improvements in economic activity and ongoing stability in the domestic environment. The 2025 core inflation forecast remains at 0.5–1.5%, with no change in policy guidance.

On the macroeconomic front, Singapore's advance Q2 2025 GDP estimate showed year-on-year growth of 4.3%, up from 4.1% in Q1, supported by a rebound in manufacturing and continued resilience in services. Seasonally adjusted, GDP grew 1.4% quarter-on-quarter, reversing a 0.5% contraction in the first quarter. Headline inflation continued to ease through July, with no significant increase in underlying price pressures. Meanwhile, the US Federal Reserve held its policy rate steady at 4.25–4.50%, as widely expected, but Chair Powell delivered a firm message in the post-FOMC press conference, amidst the uncertain impact of tariffs.

Against such a backdrop, SGS rallied across the curve and outperformed US Treasuries, with the 10-year SGS yield falling 10 bps to end the month at 2.1%. In contrast, the US Treasury yield curve bear-flattened modestly, amid resilient economic data and shifting rate expectations. The 2-year yield rose 24bps and the 10-year climbed 15bps, closing the month near 4.4%. Meanwhile, Singapore non-government bonds rebounded after a softer showing in June—the Markit iBoxx ALBI Singapore Non-Government Index rose 1.1% for the month, outpacing the broader SGS complex.

Asian USD credit, as measured by the JPMorgan Asian Credit Index, delivered positive returns in July. Performance was primarily driven by modest spread tightening across both investment-grade and high-yield segments, which more than offset the drag from rising U.S. Treasury yields. High-yield bonds outperformed, as spread compression played a more dominant role versus the investment grade peers.

Investment Strategy

At its July policy meeting, the Monetary Authority of Singapore (MAS) maintained the SGD NEER slope, keeping monetary policy unchanged after easing earlier this year. The accompanying statement was less dovish than anticipated. MAS noted that inflation risks have become more balanced and struck a relatively more constructive tone on the growth outlook compared to April. Nevertheless, with GDP growth expected to slow sharply to 0%–2% in 2025 (from 4.4% in 2024), the risk of further easing in Q4 remains on the table, particularly if external demand weakens further. Domestic inflation pressures remain subdued, with both headline and core inflation projected to average between 0.5% and 1.5% for the year.

Singapore Government Securities (SGS) delivered strong gains relative to US Treasuries in 1H 2025, supported by a stable policy backdrop and resilient demand. However, following this period of strong outperformance, the scope for further relative gains may moderate. While SGS could lag in a US Treasury-led rally, they remain well-positioned to outperform in bear steepening scenarios or during periods of rising global yields, anchored by Singapore's sound fiscal fundamentals and muted supply headwinds.

In terms of portfolio positioning, the fund has been extending duration since the start of the year and is likely to maintain overall duration at around current levels. Looking ahead to the second half, we expect performance to be driven mostly by income, with duration playing a more limited role following the strong SGS rally in 1H. We continue to seek opportunities to enhance carry through selective credit additions, while maintaining a strong focus on liquidity, credit quality, and portfolio resilience.

For additional information on Fullerton and its funds, please contact:

Fullerton Fund Management Company Ltd (UEN: 200312672W)

3 Fraser Street
#09-28 DUO Tower
Singapore 189352

T +65 6808 4688 | F +65 6820 6878
www.fullertonfund.com

Disclaimer: This publication is for information only and your specific investment objectives, financial situation and needs are not considered here. The value of units in the Fund and any accruing income from the units may fall or rise. Any past performance, prediction or forecast is not indicative of future or likely performance. Any past payout yields and payments are not indicative of future payout yields and payments. Distributions (if any) may be declared at the absolute discretion of Fullerton Fund Management Company Ltd (UEN: 200312672W) ("Fullerton") and are not guaranteed. Distribution may be declared out of income and/or capital of the Fund, in accordance with the prospectus. Where distributions (if any) are declared in accordance with the prospectus, this may result in an immediate reduction of the net asset value per unit in the Fund. Applications must be made on the application form accompanying the prospectus, which can be obtained from Fullerton or its approved distributors. You should read the prospectus and seek advice from a financial adviser before investing. If you choose not to seek advice, you should consider whether the Fund is suitable for you. The Fund may use or invest in financial derivative instruments. Please refer to the prospectus of the Fund for more information.

All information provided herein regarding JPMorgan Chase & Co. ("JPMorgan") index products (referred to herein as "Index" or "Indices"), is provided for informational purposes only and does not constitute, or form part of, an offer or solicitation for the purchase or sale of any financial instrument, or an official confirmation of any transaction, or a valuation or price for any product referencing the Indices (the "Product"). Nor should anything herein be construed as a recommendation to adopt any investment strategy or as legal, tax or accounting advice. All market prices, data and other information contained herein is believed to be reliable but JPMorgan does not warrant its completeness or accuracy. The information contained herein is subject to change without notice. Past performance is not indicative of future returns, which will vary. No one may reproduce or disseminate the information, whether in whole or in part, relating to the Indices contained herein without the prior written consent of JPMorgan.

J.P. Morgan Securities LLC (the "Index Sponsor") does not sponsor, endorse or otherwise promote any Product referencing any of the Indices. The Index Sponsor makes no representation or warranty, express or implied, regarding the advisability of investing in securities or financial products generally, or in the Product particularly, or the advisability of any of the Indices to track investment opportunities in the financial markets or otherwise achieve their objective. The Index Sponsor has no obligation or liability in connection with the administration, marketing or trading of any Product. The Index Sponsor does not warrant the completeness or accuracy or any other information furnished in connection with the Index. The Index is the exclusive property of the Index Sponsor and the Index Sponsor retains all property rights therein.

Information has been obtained from sources believed to be reliable, but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 2021, JPMorgan Chase & Co. All rights reserved.

This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.